

finances amounting to \$1.3 million and suspend Consumers Power Company's use of the 10 CFR Part 72 general license to store spent fuel until all outstanding issues are resolved and until a cask in which a suspected defect has been identified is unloaded. Petitioners have also asked that they be provided an opportunity to participate in reviewing the unloading procedure the licensee has developed and in any proceeding initiated in response to their Petition.

The Petition is being treated pursuant to 10 CFR 2.206 of the Commission's regulations and has been referred to the Director of the Office of Nuclear Reactor Regulation. As provided by § 2.206, appropriate action will be taken on this Petition within a reasonable time.

A copy of the Petition is available for inspection at the Commission's Public Document Room at 2120 L Street, NW., Washington, DC, and at the local public document room at the Van Wylen Library, Hope College, Holland, Michigan 49423-3698.

Dated at Rockville, Maryland this 24th day of October 1995.

For the Nuclear Regulatory Commission,  
William T. Russell,  
*Director, Office of Nuclear Reactor Regulation.*

[FR Doc. 95-26939 Filed 10-30-95; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 21448/International Series Release No. 876; 812-9714]

### Internationale Nederlanden Bank N.V., et al.; Notice of Application

October 24, 1995.

**AGENCY:** Securities and Exchange Commission ("SEC").

**ACTION:** Notice of application for exemption under the Investment Company Act of 1940 (the "Act").

**APPLICANTS:** Internationale Nederlanden Bank N.V. ("ING Bank") and Internationale Nederlanden Bank (Hungary) Rt. ("ING Bank Hungary").

**RELEVANT ACT SECTIONS:** Order requested under section 6(c) of the Act to exempt applicants from section 17(f).

**SUMMARY OF APPLICATION:** Applicants request an order to permit ING Bank Hungary to act as custodian in Hungary for certain U.S. registered investment companies.

**FILING DATES:** The application was filed on August 7 1995 and amended on October 10, 1995.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on November 20, 1995, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing request should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

**ADDRESSES:** Secretary: SEC, 450 Fifth Street, N.W., Washington, DC 20549. Applicants: ING Bank, Strawinskylaan 2631, 1077 ZZ Amsterdam, the Netherlands; and ING Bank Hungary, Andrassy út 9, H-1061 Budapest, Hungary.

**FOR FURTHER INFORMATION CONTACT:** Elaine M. Boggs, Staff Attorney (202) 942-0572, or C. David Messman, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application is available for a fee at the SEC's Public Reference Branch.

#### Applicants' Representations

1. ING Bank is a Dutch banking institution and is part of Internationale Nederlanden Groep N.V., a major European financial institution. ING Bank is regulated in the Netherlands by the Dutch Ministry of Finance and the Dutch Central Bank. As of December 31, 1994, ING Bank had shareholders' equity in excess of U.S. \$5.4 billion.

2. ING Bank Hungary is a Hungarian banking organization. ING Bank Hungary is supervised by the National Bank of Hungary, the Hungarian Ministry of Finance, and the State Banking Supervision. ING Bank Hungary is a wholly-owned direct subsidiary of ING Bank. As of December 31, 1994, ING Bank Hungary had shareholders' equity of U.S. \$10.3 million.

3. Applicants request an order to permit ING Bank Hungary to maintain custody of assets ("Assets") of investment companies registered under the Act, other than those registered under section 7(d) of the Act, ("Investment Companies"). As used herein, "Assets" includes cash; cash equivalents; securities issued and sold

primarily outside the United States by a foreign government, a national of any foreign country, or a corporation or other organization incorporated or organized under the laws of any foreign country; and securities issued or guaranteed by the government of the United States or by any State, political subdivision, or agency thereof, or entity organized under the laws of the United States or any State thereof that have been issued and sold primarily outside the United States.

4. ING Bank, as custodian or subcustodian for a U.S. Investment Company, would deposit assets of a U.S. Investment Company with ING Bank Hungary or, alternatively, ING Bank Hungary would receive and hold the Assets of a U.S. Investment Company directly from such U.S. Investment Company. In either case, ING Bank will assume liability for any loss, damage, cost, expense, liability, or claim arising out of or in connection with the performance by ING Bank Hungary of its duties and obligations as custodian to the same extent as if ING Bank itself had provided such custody services. ING Bank would not be responsible for losses that may result from political risk (e.g., exchange control restrictions, confiscation, expropriation, nationalization, insurrection, civil strife, or armed hostilities) and other risk of loss (excluding bankruptcy or insolvency of ING Bank Hungary), for which neither ING Bank nor ING Bank Hungary would be liable (e.g., despite the exercise of reasonable care, loss due to Acts of God, nuclear incidents, and the like).

5. Applicants request that the order extend to: (a) any U.S. Investment Company for which ING Bank or ING Bank Hungary acts as foreign custodian or subcustodian; and (b) any custodian or subcustodian for such U.S. Investment Company.

#### Applicants' Legal Analysis

1. Section 17(f) of the Act provides that a registered investment company may maintain securities and similar assets in the custody of a bank meeting the requirements of section 26(a) of the Act, a member firm of a national securities exchange, the investment company itself, or a system for the central handling of securities established by a national securities exchange. Section 2(a)(5) of the Act defines "bank" to include banking institutions organized under the laws of the United States, member banks of the Federal Reserve System, and certain banking institutions or trust companies doing business under the laws of any state or of the United States. ING Bank

Hungary does not fall within the definition of "bank" as defined in the Act and, under section 17(f), may not act as custodian for registered investment companies.

2. Rule 17f-5 under the Act permits certain entities located outside the United States to serve as custodians for investment company assets. One such entity is a banking institution or trust company that is incorporated or organized under the laws of a country other than the United States, that is regulated as such by the country's government or an agency thereof, and that has shareholders' equity in excess of U.S. \$200 million. ING Bank qualifies as an eligible foreign custodian under rule 17f-5. ING Bank Hungary, however, does not qualify as an eligible foreign custodian solely because it does not meet the minimum shareholders' equity requirement.

3. In support of the requested relief, applicants state that ING Bank Hungary is one of only a small number of banks in Hungary currently offering custody services. In addition, prior to permitting ING Bank Hungary to act as custodian for the Assets of a U.S. Investment Company, ING Bank will ensure that ING Bank Hungary is capable and well-qualified to provide such custody services.

4. Applicants request an order under section 6(c) of the Act that would exempt them from the provisions of section 17(f) to the extent necessary for ING Bank Hungary to maintain custody of U.S. Investment Company Assets. Section 6(c) permits the SEC to exempt any person or transaction from any provision of the Act, if such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy of the Act. Applicants believe that the requested order meets the section 6(c) standards.

#### Applicants' Conditions

Applicants agree that any order of the Commission granting the requested relief will be subject to the following conditions:

1. At all times, the foreign custody arrangements proposed regarding ING Bank Hungary will satisfy all of the requirements of rule 17f-5, except for the shareholders' equity requirement.

2. ING Bank, any U.S. Investment Company, and any custodian for such U.S. Investment Company will deposit Assets with ING Bank Hungary only in accordance with an agreement required to remain in effect at all times during which ING Bank Hungary fails to satisfy the requirements of rule 17f-5 (and during which time such Assets remain

deposited with ING Bank Hungary) (the "Agreement"). Each such Agreement will be a three-party agreement among ING Bank, ING Bank Hungary, and a U.S. Investment Company or a custodian for such U.S. Investment Company. Pursuant to such Agreement, ING Bank or ING Bank Hungary, as the case may be, will undertake to provide specified custody or subcustody services on behalf of a U.S. Investment Company. If ING Bank is to provide services, the Agreement will authorize ING Bank to delegate to ING Bank Hungary such of the duties and obligations of ING Bank as will be necessary to permit ING Bank Hungary to hold in custody Assets of a U.S. Investment Company. If, instead, under such Agreement, ING Bank Hungary is to provide such services directly, no such delegation will be necessary. In either case, however, the Agreement will provide that ING Bank will be liable for any loss, damage, cost, expense, liability, or claim arising out of or in connection with the performance by ING Bank Hungary of its responsibilities under the Agreement to the same extent as if ING Bank had itself been required to provide custody or subcustody services under the Agreement. Further, the Agreement will provide that, in the event of a loss, a U.S. Investment Company may pursue a claim for recovery against ING Bank, regardless of whether ING Bank Hungary acted as ING Bank's delegate or as direct custodian or subcustodian.

3. ING Bank currently satisfies and will continue to satisfy the shareholders' equity requirement set forth in rule 17f-5(c)(2)(i).

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,  
Deputy Secretary.

[FR Doc. 95-26935 Filed 10-30-95; 8:45 am]  
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[Rel. No. IC-21449; 811-5995]

#### The Advantage Municipal Bond Fund; Notice of Application

October 25, 1995.

**AGENCY:** Securities and Exchange Commission ("SEC").

**ACTION:** Notice of Application for Deregistration under the Investment Company Act of 1940 (the "Act").

**APPLICATION:** Advantage Municipal Bond Fund.

**RELEVANT ACT SECTION:** Section 8(f).

**SUMMARY OF APPLICATION:** Applicant seeks an order declaring that it has ceased to be an investment company.

**FILING DATE:** The application was filed on August 1, 1995, and amended on October 23, 1995.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on November 20, 1995, and should be accompanied by proof of service on applicant, in the form of an affidavit, or for layers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

**ADDRESSES:** Secretary, SEC, 450 5th Street, NW., Washington, DC 20549. Applicant, 100 Federal Street, Boston, MA 02110.

**FOR FURTHER INFORMATION CONTACT:** Elaine M. Boggs, Staff Attorney, at (202) 942-0572, or Alison E. Baur, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch.

#### Applicant's Representations

1. Applicant is an open-end, diversified management investment company that was organized as a business trust under the laws of Massachusetts. Applicant registered under the Act and filed a registration statement under the Securities Act of 1933 on March 3, 1993. Applicant's registration statement under the Securities Act of 1933 was declared effective on June 2, 1993 and applicant commenced a public offering of its shares on July 1, 1993.

2. On February 23, 1995, applicant's board of trustees considered and approved a transfer of assets from applicant's portfolios, the National Portfolio, the New York Portfolio, and the Pennsylvania Portfolio, to the following series of MFS Municipal Series Trust (the "Acquiring Fund"), respectively: MFS Municipal Income Fund, MFS New York Municipal Bond Fund, and MFS Pennsylvania Municipal Bond Fund. The Acquiring Fund is a registered investment company.